Strategic Investment by Cenovus Energy into Green Star Royalties

Funding North American Nature-Based Carbon Credits

JANUARY 2024

GREEN STAR ROYALTIES

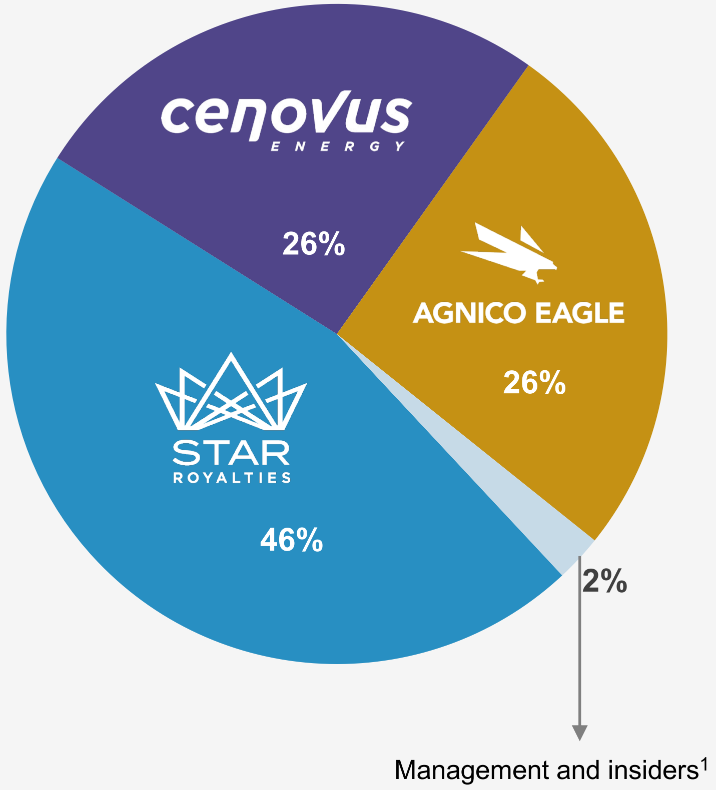
1. **Carbon Credit Royalties in USA and Canada:** Lowest geopolitical risk profile and focus on nature-based solutions ensure premium, in-demand, predominantly removal carbon credits
2. **Unique Scalability Potential:** Flagship Regenerative Agriculture program to cover 1.3M acres (~0.3% of US cropland); Growing exposure to other nature-based projects
3. **Sizeable & Premium Project Pipeline:** ~C$220M[1] across ~45 investment opportunities
4. **Large & Reputable Capital Partners:** Joint venture with Agnico Eagle Mines and Cenovus Energy, large ESG leaders in natural resources sector, with ability to co-invest in future projects
5. **Best-in-Class Development Partners:** Partnership with Anew Climate, North America's largest carbon offset developer & marketer; Establishing new partnerships with other leading developers
6. **Tenured team of experts:** Extensive carbon technical and capital allocation expertise

1. The stages of these opportunities range from early-stage discussions to advanced commercial term negotiations. There is no assurance any of the potential opportunities will result in a finalized royalty interest.

Strategic Investment by Cenovus Energy into Green Star

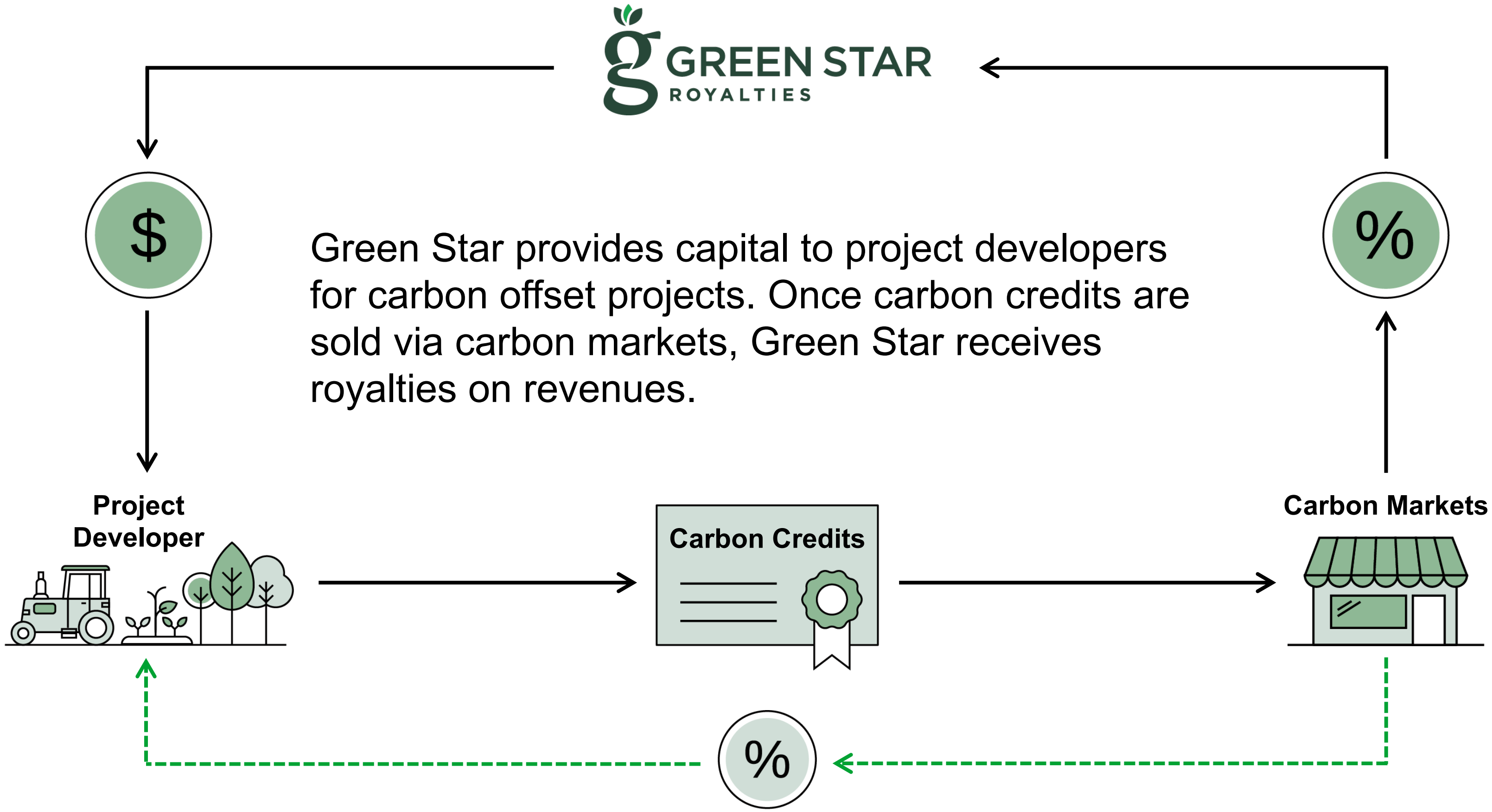
- Cenovus Energy acquired 26% of Green Star for C$21.2M
- Joins Agnico Eagle as second cornerstone joint-venture partner in Green Star with future co-investment potential to accelerate larger opportunities
- Validates business model and portfolio of North American nature-based carbon royalties, investment pipeline, and carbon industry expertise
- Transaction assigns ~C$82M value to Green Star and accelerates pathway to execute on Green Star's pipeline of advanced-stage opportunities

Ownership of Green Star Royalties



1. Management co-invested alongside Agnico Eagle and acquired 2% of Green Star by purchasing ~C$1.3M of Green Star's equity financing in Spring 2022.

Green Star Business Model



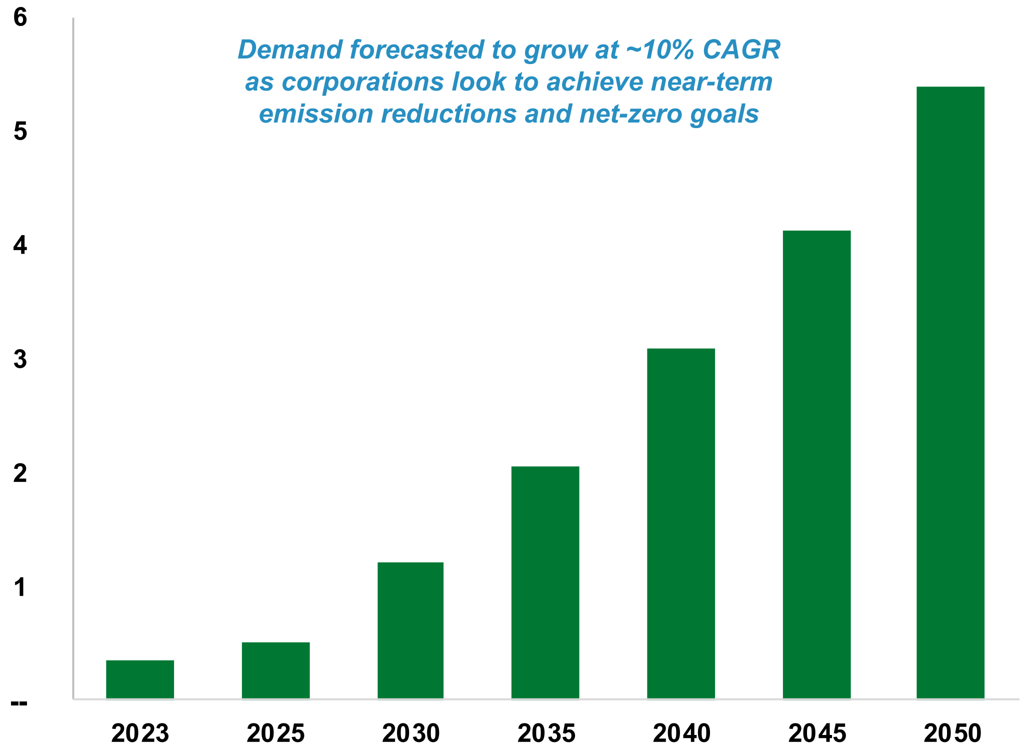
Innovated world's first carbon credit royalties in forestry and in regenerative agriculture

Royalty model achieves 100% operating margins on carbon credits

Overview of Voluntary Carbon Markets

Attribute	Compliance Market[1]	Voluntary Market[1]
Participants	• Governments • Regulated emitters (supply and demand) • Financial intermediaries (facilitate transactions for emitters)	• Project developers (supply) • Emitters of all kinds (demand) • Intermediaries (traders, brokers, etc.) • Speculators (no limit) • Registries (issue credits)
Accessibility	• Open only to regulated entities	• Open to all
Purpose	• Incentivize emissions reductions for regulated emitters to help meet jurisdictional climate goals	• Facilitate offsetting for all types of emitters to help accelerate global transition
Origin	• Emissions allowances set by regulators	• Activities that actively reduce or remove greenhouse gases from the atmosphere
Size	• >US$100B	• ~US$2B
Regulated	• Yes	• No
Credit Quality	• No discernable difference between credits	• Carbon credit quality is a critical component of market price
Examples	• EU ETS, WCI (California & Quebec), RGGI (NE USA), Alberta TIER, etc.	• Global

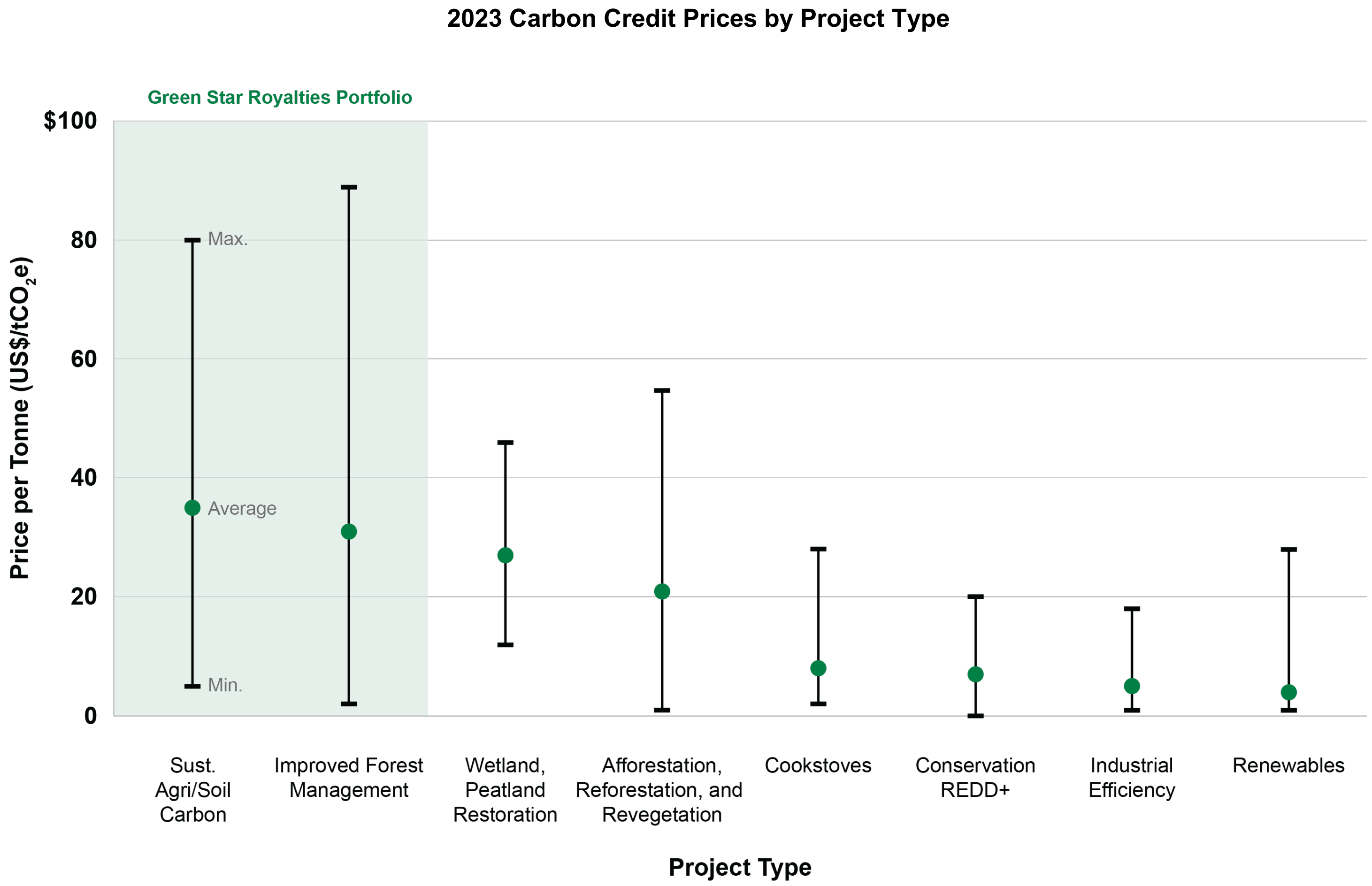
Forecasted Voluntary Carbon Market Demand ($GtCO_2e$)[2]



1. Source: BMO Equity Research, Ecosystem Marketplace.
2. BloombergNEF Long Term Offsets Outlook. Figures represent BloombergNEF's "*voluntary market scenario*".

Strong Pricing for North American Nature-Based Credits

- Green Star's portfolio is strategically focused on North American nature-based carbon projects
- Regenerative agriculture and improved forestry management projects demonstrated highest average nature-based prices in 2023
- 2023 average prices significantly above Green Star's modelling assumptions



1. Source: Abatable.com

Premium Carbon Credits Explained

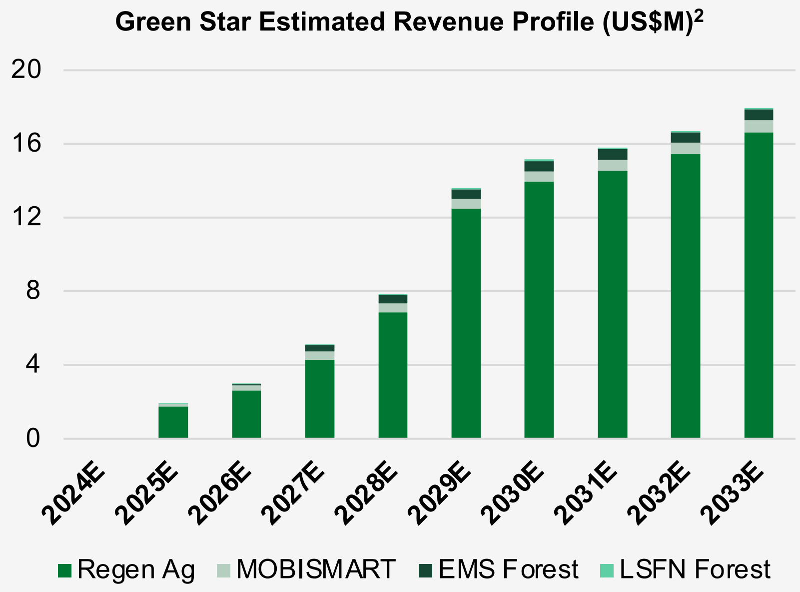
GREEN STAR ROYALTIES

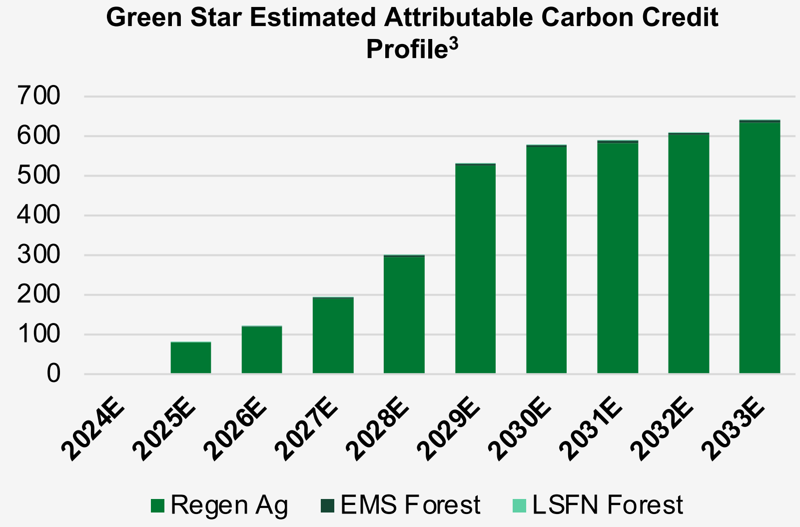
	Features of High-Quality Voluntary Carbon Credits
Real	Supported by quantifiable evidence that emissions are removed or avoided
Verifiable	Verified by a third-party, in alignment with stringent registry standards
Measurable	Reductions and removals are accurately quantified
Permanent	Low to zero likelihood of reversal
Additional	Credits are generated from beyond business-as-usual efforts
Not Double Counted	Can only be accounted for once, under any given registry
Co-Benefits	Additional positive impact (UN SDG's - environmental, biodiversity and/or social benefits)
Geography	Credits generated in lower risk jurisdictions gain premium credit pricing

Premium Royalties and Jurisdictions

Growing portfolio of predominantly removal carbon credits

Project Name	Terms / Counterparty	Carbon Developer
1. Regenerative Agriculture	Carbon Credits 30% Royalty[1] Development	anew
2. EMS Forest	Carbon Credits 40.5% Royalty[1] Development	anew
3. LSFN Forest	Carbon Credits 16% Royalty[1] Development	anew
4. MOBISMART	Clean Tech 2.5% Royalty[1] Operating	N/A

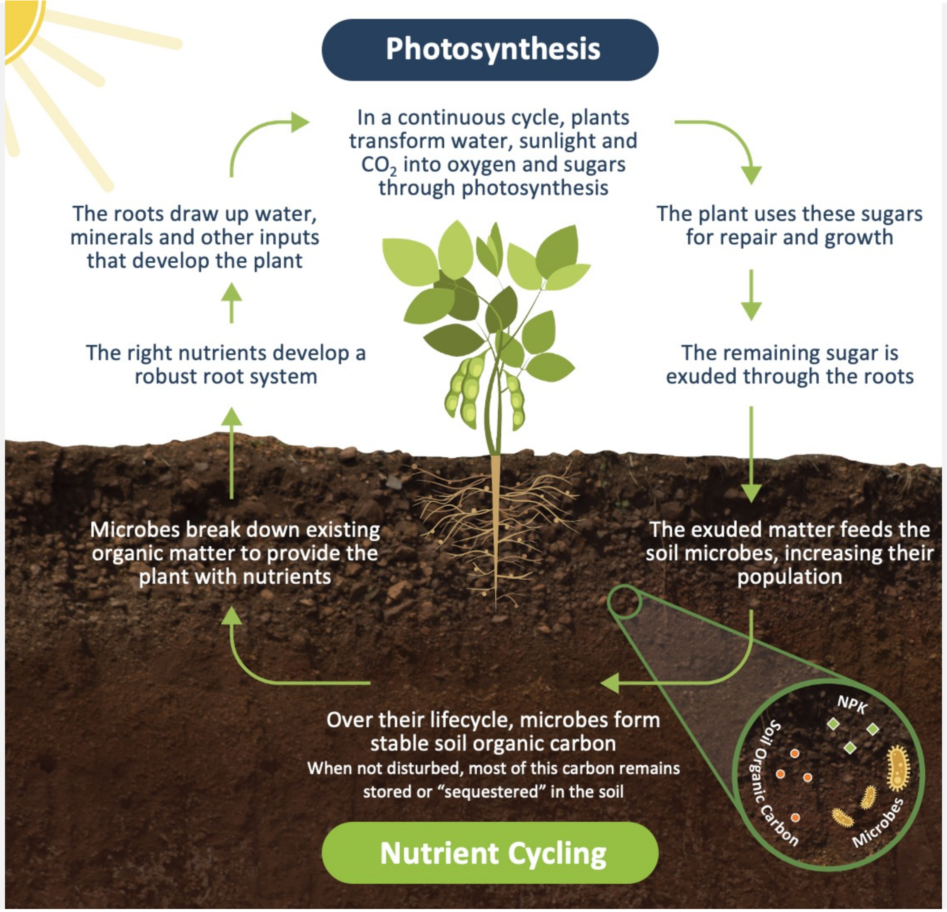




1. Royalties are gross revenue royalties.
2. Estimated revenues calculated using:
   a) Regen Ag: assumed US$20/credit with 2.5% annual escalator.
   b) EMS and LSFN: Government of Canada carbon tax pricing (currently C$65/credit and escalating to C$170/credit by 2030).
3. Attributable carbon credits are calculated as attributable revenues divided by their respective carbon credit prices.

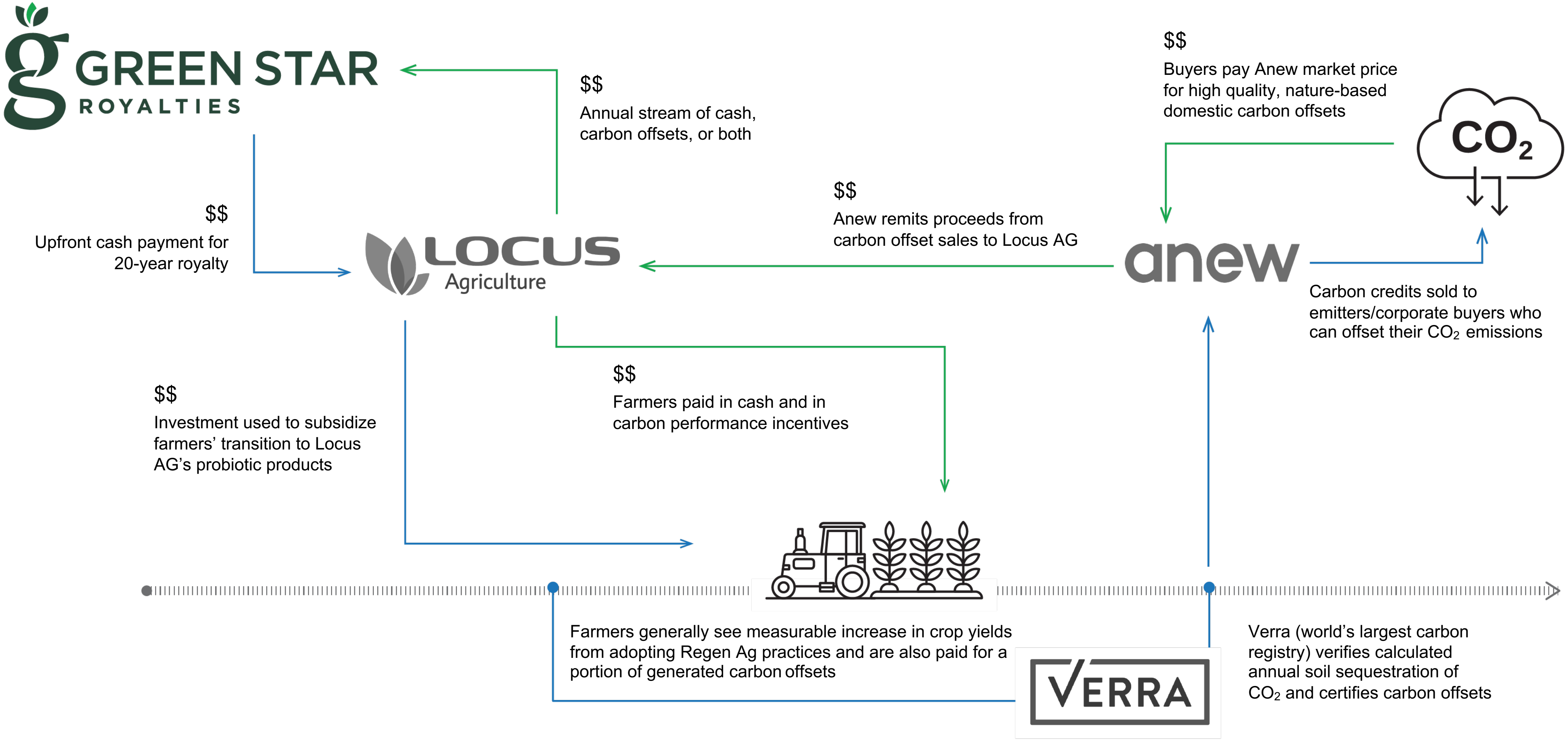
Regenerative Agriculture Demonstrates Quality, Longevity and Scalability

1. **Enhancing soil carbon capture:** Funding adoption of agricultural biologicals by US farmers to improve soil health, accelerate atmospheric CO_2 removal, reduce the use of traditional NPK fertilizers and improve crop yields
2. **Originating Premium Credits in USA:** Verified carbon credits for voluntary carbon markets
3. **Innovative and Aligned Structure:** 20-year royalty structure creates longevity and allows growers to directly participate in carbon markets, ensuring aligned benefits to all program participants
4. **Best-in-Class Development Partner:** Partnership with Anew Climate to result in additional nature-based development projects, provides carbon credit marketing and sales efforts
5. **Significant Scalability Potential:** Initial 320k-acre project expanded to 1.32M acres on strong enrollment demand; future expansions to be sourced from existing ~1B acres of prospective farmland across USA and Canada

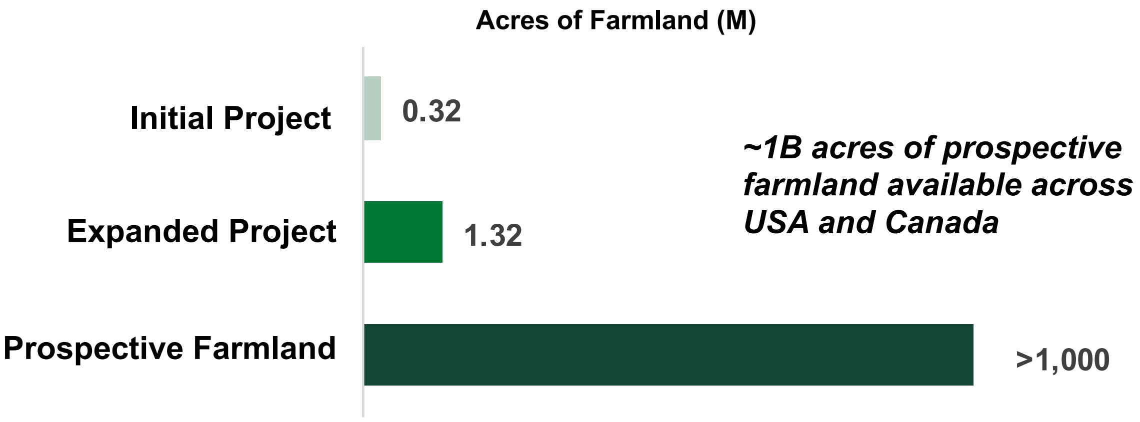


Source: www.locusag.com

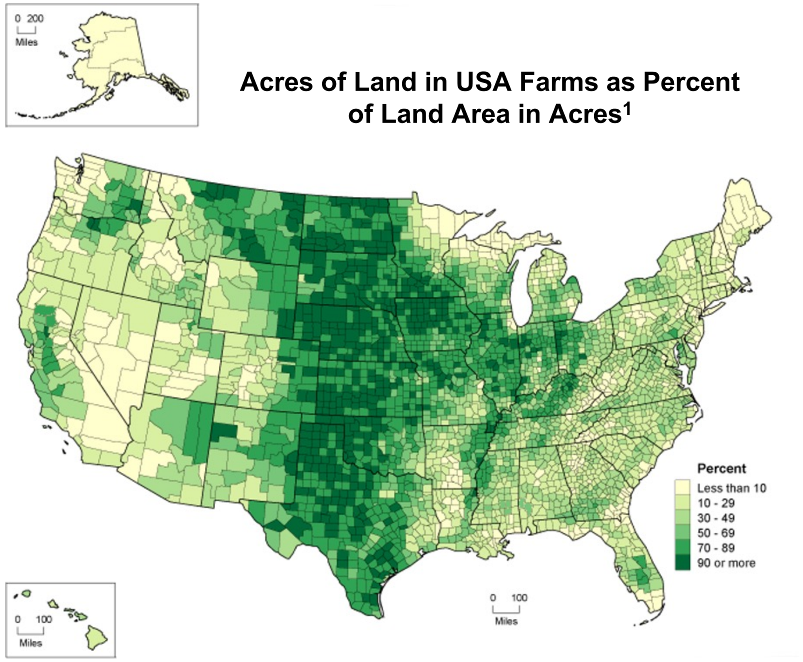
Regenerative Agriculture Overview



Unique Scalability Potential



Acres of Land in USA Farms as Percent of Land Area in Acres[1]



Regenerative Agriculture Market Participants

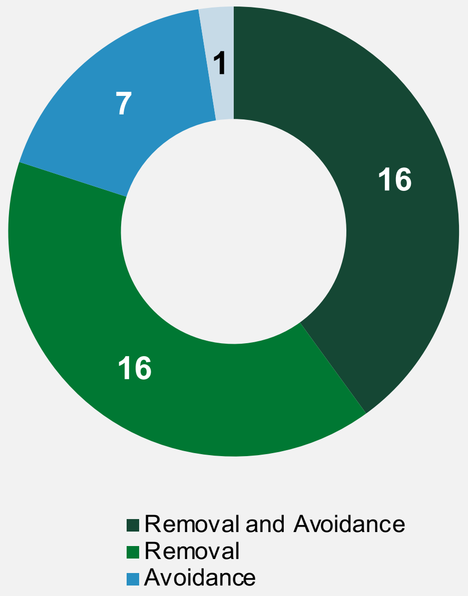
Participants	ADM, Corteva, Farmers Business Network, Bayer, MAD! Capital, General Mills, Cargill, ALUS, indigo, FarmersEdge, Bimbo, PepsiCo, Heifer International, Truterra
Buyers	IBM, The North Face, Ralph Lauren, J.P.Morgan, shopify, Swedbank, Maple Leaf

1. Source: United States Department of Agriculture.

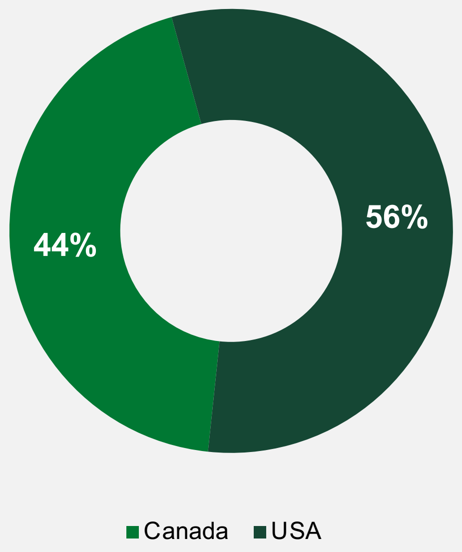
Expanding Pipeline of Opportunities

- ~C$220M pipeline currently consists of ~45 projects[1]
- Proceeds to be used to execute on robust cash-flowing and development projects

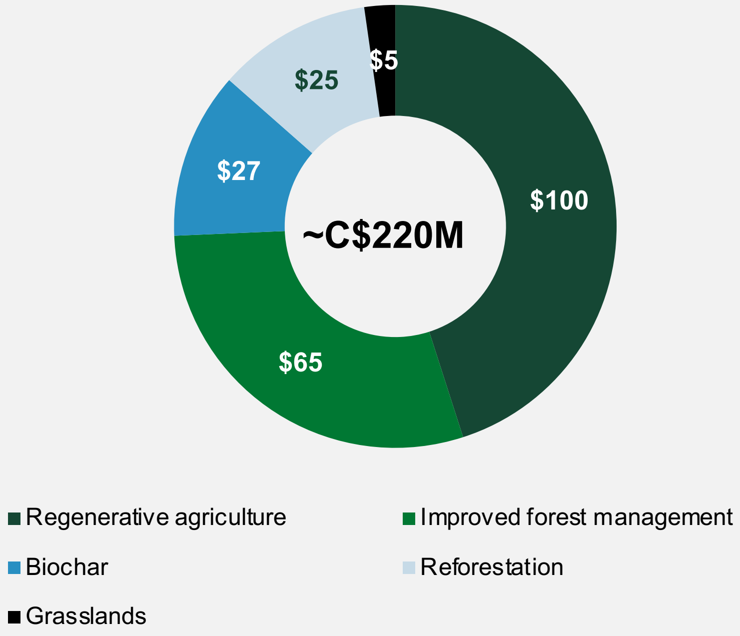
Number of Projects by Offset Type



Number of Projects by Location



Pipeline Investments by Project Type (C$M)



1. The stage of these opportunities ranges from early-stage discussions to advanced commercial term negotiations. There is no assurance any of the potential opportunities will result in a finalized royalty interest.

Tier 1 Partnerships Support & De-Risk Business Model

Partner	Business Profile	Relationship to Green Star	Differentiators
AGNICO EAGLE	• Senior C$35B Canadian gold producer • Focus on Tier 1 jurisdictions spanning Canada, Australia, Finland and Mexico • MSCI AA-ranked ESG leader in gold mining industry with net zero goal of 2050 or sooner	• JV partners via 26% ownership (each) of Green Star • Capital providers with strong alignment on ESG and focus on low-risk jurisdictions • Co-investment rights to accelerate Green Star's pipeline execution[1] • Each partner provides Board and Technical Committee representations	• Validate and de-risk Green Star's differentiated business model by two prominent industry leaders • Ongoing expertise and involvement through Board and Technical Committee participation • Provide access to and ability to participate in larger projects across North America
cenovus ENERGY	• Senior C$45B Canadian-based integrated energy operator • Operations in Canada, USA and Asia Pacific region		
anew	• Largest developer and marketer of high-quality carbon offsets in North America • >400 projects across USA and Canada • +20 years of innovative environmental solutions for non-profit, public & private sectors	• Carbon project development partner • Marketer of premium carbon credits	• Green Star and Anew collaborate to identify future nature-based opportunities • Anew partnership provides unmatched market access to monetize credits

1. Agnico and Cenovus have a right to co-invest up to a 30% interest in new opportunities.

Carbon and Capital Allocation Experts

Corporate, Carbon Markets and Finance Experience:

Alex Pernin, MSc, P.Geo.
Chief Executive Officer[1]

- Created first carbon credit royalties in forestry and in regenerative agriculture
- Managed capital allocation and corporate development at Barrick Gold
- Prior roles in equity research, mining operations and mineral exploration

Tony Lesiak, BSc, MBA
Executive Chairman[1]

- Previously Global Head of Mining Research at Canaccord Genuity, focusing on mining royalty and streaming space and large cap precious metal equities
- Ranked research analyst in metals and mining sector for 20+ years

Kevin MacLean, P.Eng., CFA
Chief Investment Officer[1]

- Award-winning portfolio manager with peak AUM ~$2B
- 30+ years of capital allocation experience in precious metals and mining investments
- 13 Lipper and 7 Top Gun awards for best risk-adjusted returns in gold mining sector

Tanushree Bagh, MSc
Chief Development Officer

- 16+ years of technical experience in project, methodology and standard development within compliance and voluntary carbon markets
- Previously responsible for VCS program management and project quality control at Verra
- Prior senior roles at South Pole, Evolution Markets and EcoSecurities

Rina Cerrato, BEng, MES
Chief Commercial Officer

- 20 years of technical and regulatory experience in carbon markets, including greenhouse gas quantification and analysis, carbon markets regulatory compliance
- Co-Chair of IETA's Voluntary Carbon Market Working Group and advisor to iClima Earth
- Prior roles with Nuseed, Environment and Climate Change Canada

Ken Ngo, CPA, CA
Chief Financial Officer[1]

- 20+ years of senior finance experience, including financial reporting, financial planning and analysis, equity administration, treasury and tax
- Prior roles at Franco-Nevada, Torex Gold, Golden Star Resources and Lundin Mining

Dmitry Kushnir, CFA
VP, Investor Relations[1]

- 20+ years in investor relations, capital markets and business strategy
- Previously responsible for strategic plan development and fostering alignment across business units at Agnico Eagle Mines

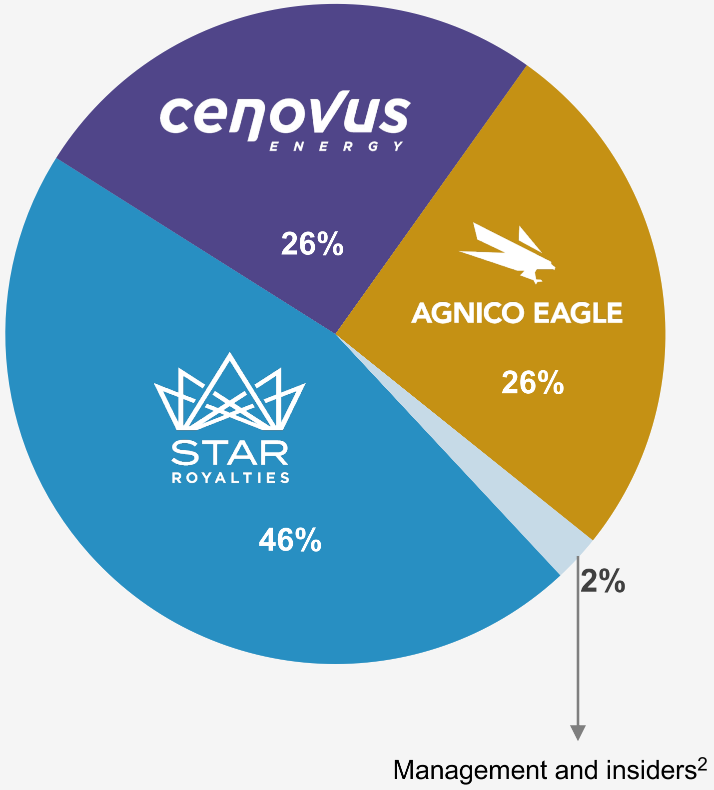
1. These officers are providing their services to Green Star through a Management Agreement with Star Royalties Ltd. at a combined fixed cost of C$25,000 per month.

Clean Capital Structure Aligned with Shareholders

Intention to undertake a potential go-public event[1] to continue funding growing pipeline of opportunities

Pre-Money Capital Structure	
	Shares
Issued Share Capital	54.5M
Warrants	0
Options	0
RSU's	0
Founder Shares	0
Fully-diluted Share Capital	54.5M
Cash as of Dec 7, 2023[3]	**US$21.6M**
Debt as of Sep 30, 2023	**nil**

Ownership of Green Star Royalties



1. There is no assurance or guarantee that Green Star will be able to complete a public offering now or in the future and any such public offering will depend on market conditions.
2. Management co-invested alongside Agnico Eagle and acquired 2% of Green Star by purchasing ~C$1.3M of Green Star's equity financing in Spring 2022.
3. Cash balance includes gross proceeds from Cenovus private placement (at $1.358CAD/USD) and excludes closing and brokerage fees.

Green Star – Quality Leader in Carbon Financing

Carbon Credit Royalties in USA and Canada

Lowest geopolitical risk profile and focus on nature-based solutions ensure premium, in-demand, predominantly removal carbon credits

Unique Scalability Potential

Regenerative Agriculture program to cover 1.3M acres (~0.3% of US cropland); Growing exposure to other scalable nature-based projects

Sizeable & Premium Project Pipeline

~C$220M across ~45 investment opportunities[1]

Large & Reputable Capital Partners

Joint venture with Agnico Eagle and Cenovus, large ESG leaders in natural resources sector, with ability to co-invest in future projects

Best-in-Class Development Partners

Partnerships with Anew Climate, North America's largest carbon offset developer and marketer; Establishing partnerships with other leading developers

Tenured team of experts

Extensive carbon technical and capital allocation expertise

1. The stages of these opportunities range from early stage discussions to advanced commercial term negotiations. There is no assurance any of the potential opportunities will result in a finalized royalty interest.

Asset Portfolio

Regenerative Agriculture Project

Description

- Regenerative agriculture:
  - Regenerates degraded soils and rebuilds soil organic matter
  - Improves water management, reduces nitrogen-based fertilizers, increases biodiversity, and implements low tillage and cover crop practices
  - Reverses climate change by sequestering significant atmospheric CO_2 into soils that would not have occurred under current farming practices
- Green Star finances revenue-accelerating and award-winning microbial soil "probiotic" technology through Locus AG's CarbonNOW® program, with corresponding carbon credits marketed by Anew
- Locus AG recruits growers into program until 1.32M acres of US farmland enrolled
- 30% Gross Revenue royalty on 20-year term of future carbon credit revenues from CarbonNOW program.
- Green Star to identify future regenerative agriculture opportunities to pursue, with over 1B acres of prospective farmland identified across USA and Canada

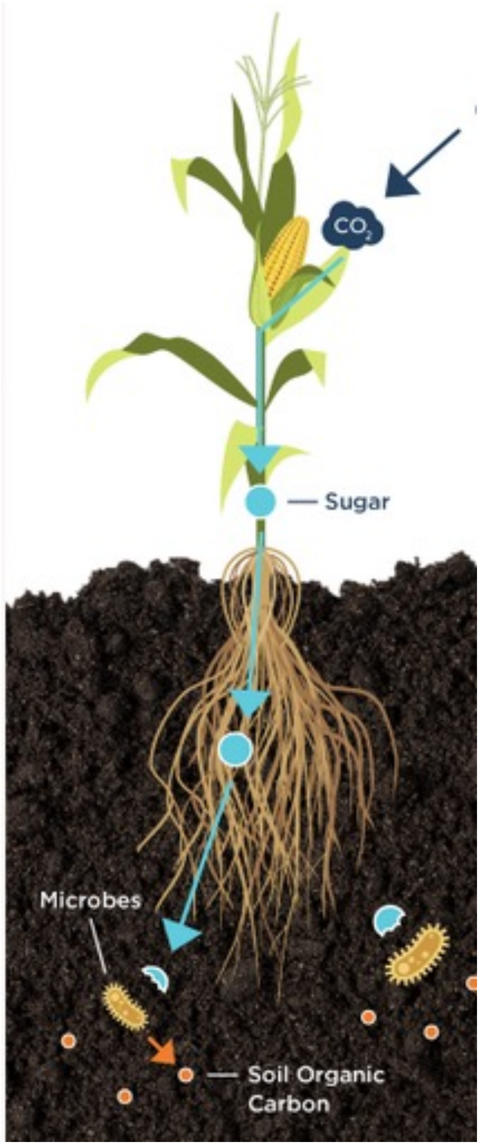
Regenerative Agriculture Project

Operator	Locus Agriculture (Locus AG)
Developer	Anew Climate
Location	USA
Stage	Development (2025E start)
Commodity	Verified carbon units (Verra)
Terms	30% Gross Revenue royalty with Locus AG

CarbonNOW® Carbon Farming Program

Partnership between Green Star and Locus AG:

- Rapid interest from US farmers based on key differentiators:
  - Upfront payments and guaranteed minimums
  - Performance bonuses that accrue for larger long-term payouts
  - Premium carbon credits and secured buyers
  - No program fees and full program management
  - High eligibility rates and access to carbon-accelerating technology
- Farmers join CarbonNOW® with a goal to generate higher ROI per acre through:
  - Better nutrient use efficiency and uptake
  - Measurable increase in crop yields
  - Improved carbon sequestration



EMS Forest Carbon Offset Project

Description

- Carbon credits generated under Alberta's Technology Innovation and Emissions Reduction Regulation system to be sold to Albertan regulated emitters
- Reforestation and conservation of boreal forest create carbon credits from combination of trees not being logged and from trees absorbing atmospheric CO_2 and sequestering into biomass
- Anew, North America's largest developer and marketer of carbon credits, undertaking EMS project development
- EMS Forest Project covers forested area of ~15,500 ha
- Carbon credit revenues, net of expenses, to be split between EMS and Green Star

Elizabeth Metis Settlement Forest

Operator	Elizabeth Metis Settlement
Developer	Anew Climate
Location	Alberta, Canada
Stage	Development (2026E start)
Commodity	Carbon offset credit generated under Alberta's Technology Innovation and Emissions Reduction Regulation system
Terms	40.5% Gross Revenue Royalty[1] on Elizabeth Metis Settlement's forest revenue

1. Royalty covers the entire EMS Forest Project and has a term of the earlier of: 1) 10 years commencing on the date EMS receives any gross revenue from the monetization of carbon offset credits, or 2) the date hereof until the first 225,000 carbon offset credits are issued and sold in connection with the EMS Forest Project.

LSFN Forest Carbon Offset Project

Description

- Carbon credits generated under Canada's Greenhouse Gas Offset Credit System to be sold to Canadian regulated emitters covered by Output Based Pricing System (OBPS)
- Reforestation and conservation of boreal forest create carbon credits from combination of trees not being logged and from trees absorbing atmospheric CO_2 and sequestering into biomass
- Big Tree Carbon and Anew assisting LSFN in developing forest carbon sequestration opportunities on First Nation's Reserve lands and Traditional Territory
- LSFN Forest Project covers forested area of ~22,000 ha of First Nation's Reserve lands
- Green Star maintains ROFR on 800,000 ha Lac Seul Forest Management Unit
- Future carbon credits revenues, net of expenses, to be split with LSFN and Big Tree Carbon
- Green Star and Big Tree Carbon work together to identify future carbon sequestration and renewable energy opportunities to pursue

Lac Seul First Nation Forest

Operator	Lac Seul First Nation, Big Tree Carbon
Developer	Anew Climate
Location	Ontario, Canada
Stage	Development (2025E start)
Commodity	Carbon offset credit generated under Canada's Greenhouse Gas Offset Credit System
Terms	16% Gross Revenue Royalty on Big Tree Carbon's forest revenue share (with ROFR on overall Lac Seul Forest Management Unit)

MOBISMART Royalty: High-Growth Clean Tech

Description

- Private, Toronto-based company that designs and manufactures mobile, portable, easily-deployable, off-grid power generation and storage as trailerized and containerized turn-key solutions from 100W to 100kW
- Integrated product offering includes solar power generation, fuel cells as primary or backup, wind turbines, smart power electronics integration and remote monitoring
- Products reduce diesel fuel usage and CO_2 emissions, frequent maintenance, noise pollution, odour, and associated financial and environmental costs, where grid power unavailable or unreliable
- Deployable anywhere for applications including telecom and 5G infrastructure, construction sites, disaster relief situations, environmental testing, wind monitoring, military operations and mining camps
- Additional high-growth areas include integrated power solutions for solar conversion of refrigeration vehicle fleets and integrated fuel cell technologies with wide power ranges for primary or backup power
- MOBISMART has working relationships with industry leaders such as NAV Canada, NRG Systems, US Telecom Services, Victron Energy B.V., Sunfire GmbH, Advent Technologies Inc., and SFC Energy AG

MOBISMART

Operator	MOBISMART Mobile Off-Grid Power and Storage Inc.
Developer	N/A
Location	Ontario, Canada
Stage	Operating
Product	Mobile, easily-deployable, off-grid power generation and storage
Terms	2.5% Gross Revenue Royalty on all current and future revenues and any potential business divestment revenues generated by MOBISMART

Cautionary Notes

Cautionary Note

This corporate presentation is intended to provide an overview of the business of Green Star Royalties Ltd. (the "Company"). It has been prepared for informational purposes only and does not purport to be complete. The information in this presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This presentation should not be construed as legal, financial or tax advice to any individual, as each individual's circumstances are different. Readers should consult with their own professional advisors regarding their particular circumstances. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained on this presentation. This presentation does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities of the Company in any jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities of the Company described herein have not been and will not be registered under the United States federal or state securities laws and may not be offered or sold in the United States, or to, or for the account or benefit of, "U.S. Persons" as such term is defined in Regulation S under the United States Securities Act of 1933, as amended, unless an exemption from registration is available.

This presentation and its contents are confidential and are being supplied to you solely for your information and may not be reproduced, forwarded, further distributed or published in whole or in part by any other person. Your acceptance of this presentation constitutes your agreement to (i) keep confidential all the information contained in this presentation, as well as any information derived by you from the information contained in this document (collectively, the "Confidential Information") and not disclose any such Confidential Information to any other person, (ii) not use any of the Confidential Information for any purpose other than to evaluate the Company and its business, (iii) not copy this document without the Company's prior consent, and (iv) promptly return this document and any copies thereof to the Company upon the Company's request.

Market and Industry Data

This document includes market and industry data and forecast that were obtained from third-party sources, industry publications and publicly available information. Third-party sources generally state that the information therein has been obtained from sources believed to be reliable, but there can be no assurances as to the accuracy or completeness of included information. Although management believes it to be reliable, management has not independently verified any of the data from third-party sources referred to in this document, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources. The Company hereby disclaims any responsibility or liability whatsoever in respect of any third-party sources of market and industry data or information.

Forward-Looking Information

This document contains "forward-looking information" within the meaning of applicable Canadian securities laws ("**forward-looking statements**"), concerning the business, operations and financial performance and condition of the Company. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this document. These statements include, but are not limited to: expectations regarding industry trends and growth rates; expectations regarding the Company's business plans, growth, revenue, financial performance, initial public offering and strategy; and cash flow projections with respect to any of the Company's projects. Generally, any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "may," "might," "could," "would," "achieve," "budget," "scheduled," "forecasts," "should," "expects," "plans," "anticipates," ''believes,'' "estimates," ''predicts," "potential" or "continue") are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are not guarantees of future performance and are based on the opinions, estimates and assumptions of management as of the date such statements are made, which management believes to be reasonable, including without limitation, assumptions regarding: currency exchange rates; the ability to enter into definitive agreements with counterparties with respect to the potential pipeline of opportunities; the ongoing operation of the properties in which the Company holds a interest; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no adverse development in respect of any significant property in which the Company holds an interest; performance of contractual obligations by counterparties; financial viability of third party owners and operators; financial projections and budgets; the impact of the COVID-19 pandemic; risk inherent to any capital financing transactions; risks inherent to a possible go-public transaction; the nature of the governance rights with Agnico Eagle Mines in the operation and management of the Company and competition; and risks inherent with partnership with Anew Climate. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results, conditions, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including, without limitation:; the Company's dependency on the financial viability and operational effectiveness of third party owners and operators; the Company's reliance on third party reporting and potentially limited access to data; changes or disruptions in the securities markets; fluctuation in the price of commodity prices; adequacy of financial resources and the Company's ability to raise funds; the introduction of new taxes or changes in tax laws and interpretations; the properties on which the Company holds interests; and the impact of the COVID-19 pandemic. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information.

Page 11 – Footnote 3 – The Risk Growth Projects NAV has been calculated assuming these transactions are finalized and closed by the Company. This is not a financial forecast and is for illustrative purposes only to provide guidance to investors. The stage of these opportunities ranges from early stage discussions to advanced commercial term negotiations. There is no assurance any of the potential opportunities will result in a finalized royalty interest and investors should not consider these transactions as finalized by the Company. The Risk factor is a discount percentage applied to each of the potential Growth Projects and is a subjective determination based on Management's experience and judgement to adjust the NAV to account for change in final commercial terms and other changes to the potential transaction.

The Illustrative Green Star pipeline and portfolio cash flow on page 12 is for illustrative purposes only to provide potential investors with the size and scope of the pipeline of opportunities currently available to Green Star. The illustrative cash flow is based on the following assumptions (i) that all potential opportunities are completed based on the current terms being negotiated, (ii) the cash flows are based on the undiscounted cash flow from all projects over the life of the respective projects based on current spot carbon prices and expected carbon credit development. There are no assurances or guarantees that these projects will be finalized or completed on the currently contemplated commercial terms.

Although the Company has attempted to identify important risk factors that could cause actual results or future events to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this document represents our expectations as of the date of this document (or as of the date it is otherwise stated to be made) and is subject to change after such date. We disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable Canadian securities legislation. To the extent any forward-looking information in this document constitutes "future-oriented financial information" or "financial outlooks" (collectively, "**FOFI**") within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the potential benefits of the offering described herein and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such FOFI. FOFI, as with forward-looking statements generally, are, without limitation, based on the reasonable assumptions of management of the Company and subject to the risks set out herein. All of the forward-looking information contained in this document is expressly qualified by the foregoing cautionary statements. FOFI is provided for the purpose of providing information about management's current expectations and plans relating to the Company's future performance, and may not be appropriate for other purposes.

Cautionary Notes

Non-IFRS Measures

This document makes reference to certain non-IFRS measures and industry metrics such as EBITDA, NAV and carbon offset credits. These measures are not recognized measures under International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation or as a substitute for analysis of our financial information reported under IFRS and may be calculated differently by other companies. We also use and carbon offset credits which is an operating metric used in our industry. These non-IFRS measures and industry metrics, including adjusted EBITDA and carbon offset credits are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures and industry metrics in the evaluation of issuers. Our management also uses non-IFRS measures and industry metrics in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

Risk Factors

Risks relating to the Company's Business, Industry and Operating Environment

Limited Operating History and Uncertainty of Future Revenues

The Company has a limited operating history and, accordingly, potential investors will have a limited basis on which to evaluate the Company's ability to achieve its business objectives. The future success of the Company is dependent on management's ability to implement its strategy. Although management is optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will successfully make profitable acquisition of interests. In particular, its future growth and prospects will depend on its ability to expand its operations and gain additional revenue streams whilst at the same time maintaining effective cost controls. Any failure to expand is likely to have a material adverse effect on the Company's business, financial condition and results of operations.

Some of the properties in respect of which the Company holds an interest may never achieve commercial production, and the Company may lose its entire investment

Some of the projects or properties in respect of which the Company holds an interest are in the construction, development, expansion or exploration stage. There can be no assurance that construction, development, expansion or exploration will be completed on a timely basis or at all. If such properties do not reach commercial production, the Company will not be able to secure repayment of any upfront deposit paid to the counterparty under the terms of the applicable contract, which may have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

In addition, due to the early-stage or development nature of certain of the properties in respect of which the Company holds an interest, the owners or operators of some of such properties have experienced financial difficulties and, in some cases, required covenant waivers pursuant to their credit and other financing documents. Although the Company undertakes a due diligence process for every investment and development are subject to many risks and it is possible that the value realized by the Company be less than the original investment.

Losses from Operation

The Company has incurred operating losses since its inception. Accordingly, the Company's audited financial statements have been prepared on a going concern basis. The Company's ability to continue as a going concern requires that it obtain sufficient funding to finance its operations. If the Company is unable to obtain sufficient funding, its business, prospects, financial condition and results of operations will be materially and adversely affected and it may be unable to continue as a going concern. If the Company is unable to continue as a going concern, it may have to liquidate its assets and may receive less than the value at which those assets are carried on its audited financial statements, and it is likely that investors will lose all or a part of their investment. If the Company seeks additional financing to fund its business activities in the future and there remains substantial doubt about its ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding to the Company on commercially reasonable terms or at all.

Dependence on Key Management and Business Partners

The Company is dependent on the availability/commitment of its key management and business partners, whose contributions to immediate and future operations of the Company are of significant importance. From time to time, the Company will also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons experienced in carbon markets is limited and competition for such persons can be intense. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of such success. If the Company is not successful in attracting, training and retaining qualified personnel or continuing its business partnerships, the Company's ability to execute its business model and growth strategy could be affected. The Company does not intend to maintain "key man" insurance for any members of its management.

Strategic Risks

The success of the Company's activities will depend on management's ability to implement its strategy and on the availability of opportunities related to carbon credits. Although management is optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will successfully make profitable acquisitions of carbon credits, streams, royalties, or other interests. In particular, its future growth and prospects will depend on its ability to expand its portfolio of investments while at the same time maintaining effective cost controls. The Company has sought and will continue to seek to invest in businesses or investments related to carbon credits. In pursuit of such opportunities, the Company may fail to identify or select appropriate investment targets, or negotiate acceptable definitive arrangements, including arrangements to finance the investments. The Company may be unable to identify or select appropriate investment targets in the numbers or at the pace it currently expects for a variety of reasons. In addition, market opportunity estimates and growth strategies are subject to uncertainty and are based on assumptions and estimates that may not prove to be accurate, and as such the estimates of growth included in this presentation may prove to be inaccurate and may not be indicative of future growth.

Concentration Risk

Given the concentration of the Company's exposure to carbon credits, the Company's investment portfolio will be susceptible to adverse economic or regulatory occurrences affecting carbon credits and carbon markets. While the Company's intention is to enter into stream and/or royalty arrangements and other investments with exposure to a wide variety of projects and business opportunities relating to carbon credits, it will take significant time to attain such diversification. Until diversification is achieved, the Company will continue to have a significant portion of its assets dedicated to a small number of carbon credit projects, and businesses or investments related to carbon credits.

Cautionary Notes

Fluctuation in Price and Demand of Carbon Credits

Carbon credit prices depend on a variety of external factors that are out of the Company's control. There can be no assurance that continual fluctuations in the price of carbon credits will not occur. In addition, carbon credits are traded in both the compliance and voluntary markets and the price for a carbon credit varies according to not only the market on which it is traded, but also according to its type, location, vintage, accreditation and additional social and environmental attributes. It is likely that the market price for the Company's carbon credits will be subject to market trends generally.

The demand for, and the market price of, carbon credits can be adversely affected by any number of factors, including: social factors; regulatory regimes; implementation of lower greenhouse gas emitting infrastructure; increase in projects generating carbon credits; technological advancements; use of alternative fuels; decrease in the price of conventional fossil fuels; increased use of renewable energy; and the implementation and operation of carbon pricing initiatives. There can be no assurance that carbon pricing initiatives carbon markets will continue to exist. Carbon pricing initiatives may be subject to policy and political changes and, may otherwise be diminished, terminated or may not be renewed upon their expiration.

In addition, the demand for carbon credits is driven by the social and political will to reduce greenhouse gas emissions globally. Without such social and political will, the marketplace for carbon credits would cease to exist and there would be no place for the Company to buy and sell carbon credits. Even if such marketplaces still exist, without the social and political will to reduce greenhouse gas emissions, the price of carbon may fall to an unsustainably low price, preventing profitability of the Company.

Lack of Liquidity and High Volatility of Carbon Markets

Carbon markets are still evolving and there are no assurances that the carbon credits purchased or generated by the Company will find a market. The carbon credit markets have experienced a high level of price and volume volatility. There may be a lack of liquidity for the purchase or sale of carbon credits and the Company may not be able to purchase or sell the volume of carbon credits it desires in a timely manner or at an attractive price.

Risks associated with Carbon Credits and Markets

In seeking to acquire and grow a diversified and high-quality portfolio of streams, royalties and other investments in projects that generate carbon credits over the long term, the Company's intention is to have all such project(s) validated through a compliance market or by an internationally recognized carbon credits standards body in the voluntary market. Any actual or proposed changes to international carbon standards or verification requirements and/or the implementation of any national or international laws, treaties or regulations by governmental entities and/or any adverse changes to existing governmental policies with respect to carbon credits may result in a material and adverse effect on the Company's profitability, results of operation and financial condition.

Regulatory risk related to changes in regulation and enforcement can adversely affect market behavior. If fines or other penalties for non-compliance are not enforced, incentives to purchase carbon credits will deteriorate, which can result in a fall in the price of carbon credits and a drop in the value of the Company's assets.

Carbon Reduction Project Types

The generally accepted types of carbon reduction projects, including those which may be registered and/or verified by carbon credit registries, have changed, and will likely change over time. The Company provides capital, development and operating resources but is not a project proponent itself. Therefore, the Company's portfolio is limited to the projects available for investment.

Delays with Respect to Carbon Credit Registries

The verification and registration process requires the review and approval by carbon credit registries and the timing of such review and approval maybe outside the control of the Company. An unanticipated delay with respect to the verification or registration of a carbon reduction project or issuance of carbon credit may have negative impact on the Company and its business.

Third Party Project Developers, Owners and Operators

Carbon credits received by the Company are derived from projects that are operated by third parties. These third parties will be responsible for determining the manner in which the relevant properties are developed, operated and managed, including decisions that could expand, continue or reduce the number of carbon credits generated from a property or an asset. As a holder of streams or other interests, the Company may have little or no input on such matters. The interests of third parties and those of the Company on the relevant properties or assets may not always be aligned. As an example, in some cases, it may be in the interest of the Company to advance development as rapidly as possible in order to maximize the receipt of near-term carbon credits, while third party project developers, owners and operators may, in many cases, take a more cautious approach to development as they are at risk on the cost of development and operations. The inability of the Company to control the operations for the properties or assets in which it has a stream or other interest may have a material adverse effect on the Company's profitability, results of operation and financial condition.

The Company has limited operating history for its current strategy

The Company has no history of earnings and due to the nature of its business there can be no assurance that the Company will be profitable. As such, the Company is subject to all of the business risks and uncertainties associated with starting a new business, including the risk that the Company will not achieve its financial objectives as estimated by its management. The only potential source of additional funds presently available to the Company is through the sale of its securities or short-term high-cost borrowing; however, there is no assurance that any such funds will be available on favourable terms, or at all. The Company does not currently hold any carbon credits and if any carbon credits are acquired by the Company there can be no assurance that funds will be available from the sale of any such carbon credit. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk. The nature of the Company's business is highly speculative and there is a consequent risk of loss of investment in the Company. The success of the Company's activities will depend on management's ability to implement its strategy and on the availability of opportunities related to carbon credit trading and greenhouse gas emission avoidance, reduction, and sequestration programs; government regulations; commitments to reduce greenhouse gas emissions by corporations, organizations and individuals; and general economic conditions. Although management is optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will successfully make profitable acquisitions of carbon credits or other interests. In particular, its future growth and prospects will depend on its ability to expand its portfolio of investments while at the same time maintaining effective cost controls. Any failure to expand is likely to have a material adverse effect on the Company's business, financial condition, and results of operations. The Company has sought and will continue to seek to develop projects that generate carbon credits, invest in carbon credits, and businesses or investments related to carbon credits. In pursuit of such opportunities, the Company may fail to identify or select appropriate investment targets, or negotiate acceptable arrangements, including arrangements to finance the investments. The Company may be unable to identify or select appropriate investment targets in the numbers or at the pace it currently expects for a variety of reasons, including, among other things, the following: (i) the demand for carbon credits failing to develop sufficiently or taking longer than expected to develop; (ii) issues related to identifying, engaging, contracting, compensating and maintaining relationships with developers or owners of projects or negotiate agreements; (iii) issues related to the verification and validation of carbon credits, construction, permitting, the environment, and governmental approvals with respect to projects that generate carbon credits; (iv) a reduction in government incentives or adverse changes in policy and laws with respect to carbon credits; (v) competition for the projects the Company wishes to invest in; (vi) other government or regulatory actions that could impact the Company's business model.

Cautionary Notes

Environmental Risks relating to Carbon Projects

The projects that the Company enters into streaming and/or royalty agreements over and/or otherwise invests in to generate carbon credits are subject to risks associated with natural disasters, which natural disasters could result in temporary or permanent damage to, or destruction of, projects that generate carbon credits. Any such natural disasters could impact the ability of the Company's counterparties to deliver carbon credits to the Company and therefore adversely affect the viability of any of the Company's investments in such projects, and may result in a material and adverse effect on our profitability, results of operations and financial condition.

Underlying Scientific Principles are Subject to Debate

Carbon pricing initiatives and carbon credits have arisen primarily due to scientific evidence indicating a correlative relationship between the rise in global temperatures and extreme weather events, on the one hand, and the rise in greenhouse gas emissions in the atmosphere, on the other hand. Failure to maintain scientific consensus, may negatively affect the value of carbon credits. Extreme weather events have the potential to disrupt the operation of our projects and may require us to make additional expenditures to mitigate the impact of such events.

Global Policy Developments

The Company is subject to changing and future global policy developments over which it has no control. Carbon markets are developing and are subject to developing global policy. There is uncertainty regarding impact of global policy developments, including resolution of Article 6 of the Paris Agreement and the role of internationally transferred mitigation outcomes and any developments arising from the United Nations Climate Change Conference (COP26). Future global policy development may positively or adversely affect the Company and its business.

Carbon Trading may Become Obsolete

Carbon trading is regulated by specific jurisdictions pursuant to regional legislation or can be voluntary. When regulated, governments compel emitters to reduce their greenhouse gas emissions through technological improvements or through the purchase of carbon credits. It is an identified risk factor that new legislation may arise in certain jurisdictions that may render the Company's business plan and knowledge obsolete with respect to carbon credits. With respect to the voluntary trade of carbon credits, there is a significant risk that certain voluntary purchasers of carbon credits may elect to cease the purchase of carbon credits for various reasons that are inherent to their business plans, or because of changing economic, political contexts or other conditions that cannot be controlled by the management of the Company.

Technological Advancements

New technologies may arise that may diminish or eliminate the need for carbon markets. Ultimately, the price of carbon credits is determined by the cost of actually reducing emissions levels. If the price of credits becomes too high, it will be more economical for companies to develop or invest in lower emission technologies, thereby suppressing the demand and adversely affecting the price.

The carbon market is as rapidly evolving market where technologies are in early stages of adoption. Accordingly, the Company's business and future prospects may be difficult to evaluate. The challenges, risks and uncertainties frequently encountered by companies in rapidly evolving markets could impact the Company's ability to do the following:

- generate sufficient revenue to maintain profitability;
- acquire and maintain market share;
- achieve or manage growth in operations;
- develop and renew contracts;
- attract and retain highly-qualified personnel;
- adapt to new or changing policies and spending priorities of governments and government agencies; and
- access additional capital when required and on reasonable terms.

If the Company fails to address these and other challenges, risks and uncertainties successfully, its business, results of operations and financial condition would be materially harmed.

Competitive Market

There are many organizations, companies, non-profits, governments, asset managers and individuals that are buyers of carbon credits, or rights to or interest in carbon credits, and there is currently a limited supply of carbon credits, projects to generate future carbon credits and investment opportunities in carbon credits. Many competitors are larger, more established companies with substantial financial resources, operational capabilities and long track-records in carbon markets. The Company may be at a competitive disadvantage in investing in carbon projects, acquiring carbon credits or interests in carbon credits, whether by way of purchases in carbon markets or other forms of investment, as many competitors have greater financial resources and technical staffs. Accordingly, there can be no assurance that the Company will be able to compete successfully against other companies in building a portfolio of carbon credits and carbon credit related investments. The Company's inability to acquire carbon credits may result in a material and adverse effect on our profitability, results of operation and financial condition.

Impact of the COVID-19 Pandemic

The COVID-19 pandemic and the measures attempting to contain and mitigate the effects of the virus (including travel bans and restrictions, quarantines, shelter-in-place orders, shutdowns and restrictions on trade) have caused heightened uncertainty in the global economy. In particular, travel restrictions have impacted the timing of validation and verification deadlines for certifying organizations, which could delay the timing of delivery of carbon credits to the Company. In addition, the COVID-19 pandemic has had and may continue to have impacts on our ability to source, evaluate, and visit investment opportunities, and on the development, management and operation of carbon credit projects by third parties. It is difficult to predict how significant the longer-term impacts of the COVID-19 pandemic, including any responses to it, will be on the global economy and our business. Since the impact of COVID-19 is ongoing, the effect of the COVID-19 pandemic and the related impact on the global economy may not be fully reflected in our results of operations until future periods. To the extent that the COVID-19 pandemic harms our business and results of operations, many of the other risks described in this "Risk Factors" section may also be heightened. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks.

Political Risk

The Company's investments may be focused in a particular country, countries, or region and therefore may be susceptible to adverse market, political, regulatory, and geographic events affecting that country, countries or region. Risks the Company may face with respect to any country where current or future streams or investments of the Company may be located, include: unforeseen government actions; acts of god; terrorism; hostage taking; military repression; general economic fluctuation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls, export controls, and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or other events.

Due Diligence Risks

Before making any decision, the Company will conduct, or have independent consultants or business partners conduct, due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each acquisition, investment or streaming/royalty arrangement. When conducting due diligence investigations, the Company may be required to evaluate important and complex business, environmental, financial, tax, accounting, regulatory, technical and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence investigations and making an assessment regarding an acquisition, investment or streaming/royalty arrangement, the Company relies on resources available, including information provided by the target of the acquisition or investment, the party(ies) to the streaming/royalty arrangement and, in some circumstances, third party investigations. The due diligence process undertaken by the Company in connection with acquisitions, investments or streaming/royalty arrangements that it undertakes or wishes to undertake, may not reveal all relevant facts in connection with an acquisition, investment or streaming/royalty arrangement. The inability of the Company or third parties to identify business risks relating to investments of the Company may have a material adverse effect on the Company's profitability, results of operation and financial condition.

Rights of and Dependence on Third Parties

The Company is party to various contracts related to the purchase, production and sale of carbon credits. Carbon credits received by the Company are derived from projects that are operated by third parties. These third parties will be responsible for determining the manner in which the relevant properties are developed, operated and managed, including decisions that could expand, continue or reduce the number of carbon credits generated from a property or an asset. As a holder of streams, royalties or other interests, the Company may have little or no input on such matters. The interests of third parties and those of the Company on the relevant properties or assets may not always be aligned. The inability of the Company to control the operations for the properties or assets in which it has a stream, royalty or other interest may have a material adverse effect on the Company's profitability, results of operation and financial condition.

Information Technology and Cyber Security Risks

The Company's operations depend, in part, on its information technology ("**IT**") systems, networks, equipment and software and the security of these systems. The Company depends on various IT systems to process and record financial and technical data, administer its contracts with its counterparties and communicate with employees and third-parties. These IT systems, and those of its third-party service providers and vendors and the counterparties under its contracts for interests may be vulnerable to an increasing number of continually evolving cyber security risks. Unauthorized third parties may be able to penetrate network security and misappropriate or compromise confidential information, create system disruptions or cause shutdowns. Any such breach or compromise may go undetected for an extended period of time.

A significant breach of the Company's IT systems or data security or misuse of data, particularly if such breach or misuse goes undetected for an extended period of time, could result in significant costs, loss of revenue, fines or lawsuits and damage to reputation. The costs to eliminate or alleviate cyber or other security problems, including bugs, viruses, worms, malware and other security vulnerabilities, could be significant, and our efforts to address these problems may not be successful. The significance of any cyber-security breach is difficult to quantify, but may in certain circumstances be material and could have a material adverse effect on the Company's results of operations and financial condition and the trading price of its securities.

Insurance Risk

In light of the novelty of the carbon credit industry, the Company cannot give any assurances that insurance coverage for some or all of the risks of loss in the carbon credit industry will be available on commercially reasonable terms or at all. To the extent such insurance is available, the Company can give no assurances that it will continue to be available on commercially reasonable terms, that all events that could give rise to a loss or liability are insured or reasonably insurable or that its insurers would be capable of honouring their commitments if an unusually high number of claims were made against their policies. Certain losses, including certain environmental liabilities and business interruption losses, are not ordinarily covered by insurance.

Permits and Licenses

The Company may acquire a property or an interest in a property with the intent to generate carbon credits from activities on that property. These future activities of the Company may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to carry out development of its carbon offset projects on any future properties.

General Economic Conditions

Adverse events in global financial markets can have profound impacts on the global economy. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. Many industries and markets, including the carbon markets, are impacted by these market conditions. Some of the key impacts of financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and carbon markets and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and valuation. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity; the volatility of carbon credit prices would impact our revenues, profits, losses, cash flow and the value of our carbon credit holdings; and continued recessionary pressures could adversely impact demand for carbon credits and related investments. These factors could have a material adverse effect on our financial condition and operating results.

Foreign Exchange Rates

Carbon credits are typically purchased in U.S. currency. Fluctuation in the U.S. currency exchange rate relative to the Canadian currency could negatively impact the value of the Company's securities. Investment in carbon credits and/or equity securities denominated in a currency other than Canadian currency will be affected by the changes in the value of the Canadian dollar in relation to the value of the currency in which the carbon credit or security is denominated. Because exchange rate fluctuations are beyond the Company's control, there can be no assurance that such fluctuations will not have an adverse effect on the Company's operations or on the trading value of its securities.

Cautionary Notes

Future Acquisitions

As part of our business strategy, we may seek to grow by acquiring companies and/or assets or establishing joint ventures that we believe will complement our current or future business. Acquisition transactions involve inherent risks, including but not limited to: accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates; ability to achieve identified and anticipated operating and financial synergies; unanticipated costs; diversion of management attention from existing business; potential loss of our key employees or key employees of any business acquired; unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and decline in the value of acquired assets, companies or securities. Any one or more of these factors or other risks could cause us not to realize the anticipated benefits of an acquisition of assets or companies and could have a material adverse effect on our financial condition. We may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. We cannot guarantee that we can complete any acquisition we pursue on favourable terms, or that any acquisitions completed will ultimately benefit our business.

Regulatory Changes

The Company may be affected by changes in regulatory requirements, customs, duties or other taxes in the jurisdictions in which we operate. Such changes could, depending on their nature, benefit or adversely affect the Company. The costs associated with legal compliance may be substantial. In addition, possible future laws and regulations, changes to existing laws and regulations (including the imposition of higher taxes which have been, or may be, implemented or threatened) or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of projects generating carbon credits and planned operations and delays in the development of projects generating carbon credits. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety impacts of the operations of the projects generating carbon credits. Failure to comply with laws and regulations by the Company or by the operators of projects in which it invests could lead to financial restatements, fines, penalties, loss, reduction or expropriation of entitlements, the imposition of additional local or foreign parties as joint venture partners with carried or other interests and other material negative impacts. No assurance can be given that new taxation rules, accounting policies or other regulatory changes will not be enacted or that existing rules will not be applied in a manner which could result in the Company's profits being subject to additional taxation or which could otherwise have a material adverse effect on the Company's profitability and financial condition and the trading price of its securities.

Litigation

The Company may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of streams, royalties and other interests do not abide by their contractual obligations, the Company may be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly, and as with all litigation, no guarantee of success can be made. If such disputes arise and we are unable to resolve these disputes favorably, it may have a material and adverse effect on the Company's profitability, results of operations and financial condition.

Conflicts of Interest

Certain of the Company's directors may also serve as directors or officers, or have significant shareholdings in, other companies involved in carbon credits or the carbon markets, natural resource exploration, development and production, and, to the extent that such other companies may participate in ventures or markets in which the Company may participate in, or in ventures or markets which the Company may seek to participate in, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where directors and officers have an interest in other companies, such other companies may also compete with us for the acquisition of carbon credits, streams, royalties or other investments. Such conflicts of the directors and officers may result in a material adverse effect on our profitability, results of operation and financial condition.

Future Financings

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be on terms acceptable to the Company. Failure to obtain such additional financing could impede the Company's funding obligations, or result in delay or postponement of further business activities which may result in a material adverse effect on Company's profitability, results of operations and financial condition and the trading price of its securities.

Developing Economies

Certain operators are subject to risks normally associated with the conduct of business in developing economies. Risks may include, among others, problems relating to power supply, labour disputes, delays or invalidation of governmental orders and permits, corruption, uncertain political and economic environments, civil disturbances and crime, arbitrary changes in laws or policies, foreign taxation and exchange controls, nationalization of assets, opposition to mining from environmental or other non-governmental organizations or changes in the political attitude towards mining, empowerment of previously disadvantaged people, local ownership requirements, limitations on foreign ownership, power supply issues, limitations on repatriation of earnings, infrastructure limitations and increased financing costs. The above risks may limit, disrupt or negatively impact the operator's business activities.

Corruption and Anti-Bribery Law Violations

The Company's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Company is subject to the anti-bribery laws of any other countries in which it conducts business now or in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-bribery laws for which the Company may be held responsible. The Company's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Company's internal control policies and procedures will always protect it from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

Risks Related to the Securities of the Company

Loss of Entire Investment

An investment in the securities of the Company is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Resale of Securities and Liquidity

There is currently no market through which the securities of the Company may be sold and purchasers may not be able to resell those securities. There can be no assurance that an active and liquid market for securities of the Company will develop or be maintained. The can be no assurance that the Company's securities will ever be listed or trade on a public stock exchange.

Dilution

The Company may find it necessary in the future to obtain additional debt or equity financing to support ongoing operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms acceptable to the Company. The Company's inability to raise financing to support ongoing operations or to fund capital expenditures or acquisitions could limit the Company's growth and could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows, as well as the value of the securities of the Company. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of common shares.

Dividends

Holders of shares of the Company will not have a right to dividends on such shares unless declared by the Company's board of directors. The Company has not paid dividends in the past, and it is not anticipated that the Company will pay any dividends in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings. The declaration of dividends is at the discretion of the board of directors, even if the Company has sufficient funds, net of its liabilities, to pay such dividends, and the declaration of any dividend will depend on the Company's financial results, cash requirements, future prospects and other factors deemed relevant by the Board.

Discretion in the Use of Proceeds

Management of the Company will have discretion concerning the use of the net proceeds of any sale of securities of the Company. Therefore, an investor will be relying on the judgment of management for the application of the net proceeds from such sales of the securities of the Company. Management has discretion to use the net proceeds in their discretion if they believe it would be in the Company's best interest to do so and in ways that an investor may not consider desirable. If the Company does not apply these funds efficiently it may adversely affect the operational results.

GREEN STAR
ROYALTIES

Alex Pernin, P.Geo.
Chief Executive Officer and Director

T. +1 647 494 5883
apernin@greenstarroyalties.com

Dmitry Kushnir, CFA
Vice President, Investor Relations

T. +1 647 494 7831
dkushnir@greenstarroyalties.com